

~~CONFIDENTIAL~~February 25th, 1959COCOM Document No. 3422COORDINATING COMMITTEERECORD OF DISCUSSIONONUNITED STATES PROPOSAL TO ADD ITEM 1510 TO THE ITEMS LISTED IN ITEM 1416(e).February 19th, 1959

Present: Belgium(Luxembourg), Denmark, France, Germany, Italy, Japan, Netherlands, Norway, United Kingdom, United States.

References: COCOM 3376, 3379, 3397.

1. The CHAIRMAN recalled that at the previous meeting the majority of Delegations had stated that they could accept the United States proposal to add Item 1510 to the items listed in Item 1416(e) on condition that all types of fish finding and whale finding equipment, not only those specified in the Note to Item 1510, were excluded. He asked whether the United States Delegation could accept this condition.

2. The UNITED STATES Delegate made the following statement:

(a) "If the proposal to add Item 1510 to 1416(e) were to be modified, as suggested by the German and United Kingdom Delegations, to exclude all fish and whale finding equipment, the proposed addition of Item 1510 to Item 1416(e) would be rendered meaningless, inasmuch as excluding all fish and whale finding equipment would mean almost total emasculation of Item 1510. For example, the Kelvin-Hughes whale-finding set which under the United Kingdom-German proposal could be installed in vessels sold to the Bloc or Bloc vessels repaired in the Free World, is basically identical to equipment used in the Royal Navy, and it could be installed in a Bloc warship for use without modification. Since equipment covered by Item 1510 is used only in vessels, the embargo of Item 1510 equipment would be negated. It seems appropriate to point out in this connection that the installation in Bloc vessels, while they are undergoing repair or alteration in Western shipyards, of equipment included under Item 1510, is presently prohibited under the provisions of paragraph 1, Annex B, of COCOM 549.

(b) "It seems logical, in terms of the security interests of the Free World, to maintain control over Item 1510 equipment both in terms of exports of underwater location apparatus to the Bloc and in terms of the installation of such equipment in Bloc vessels or vessels sold to the Bloc. It is the view of the United States that any Participating Country wishing to export to the Bloc, either directly, as a component of a new vessel, or through installation in a Bloc vessel, any of the types of equipment not specifically excluded under Interpretative Note No. 2, should either submit exception requests to the Committee or provide specifications of the equipment in question and propose the addition of such equipment to Interpretative Note No. 2."

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3. The UNITED KINGDOM Delegate commented that the only new fact emerging from the United States statement was that the Kelvin-Hughes whale finding equipment was virtually identical to apparatus used in the Royal Navy. It was not stated, however, for what purpose the Royal Navy used this apparatus and he would be grateful if the United States Delegation could give further information on this point. He again stressed that all military types of underwater detecting equipment were covered by Munitions List Item 9.
4. The UNITED STATES Delegate asked the other Delegations if their authorities differentiated between the treatment that should be accorded Item 1510 with respect to adding such equipment to Item 1416(e) and that which should be accorded Item 1510 with respect to repair of Bloc vessels.
5. The DANISH Delegate said that he agreed with his United Kingdom colleague that Munitions List Item 9 caught the equipment which was specifically designed for military purposes. He agreed with the United States Delegate that if no agreement were reached on adding Item 1510 to the list in Item 1416(e), the installation of equipment caught by Item 1510 to Soviet vessels undergoing repair was prohibited by the provisions of COCOM 549. On the other hand it was also quite clear that as far as the installation of such equipment in new vessels was concerned, the present freedom would remain if no agreement were reached. For these reasons he found that the German proposal presented a fair compromise, where the United States would give in as far as ship repairs were concerned and the other Delegations as far as sales were concerned. He asked why the United States Delegation had not proposed the inclusion of Item 1510 in the list of Item 1416(e) at the time of the 1958 List Review.
6. The CHAIRMAN asked whether Delegations who opposed the addition of Item 1510 to Item 1416(e) did so because they did not wish the prohibition to apply to new vessels as well, or whether their main objection was the prohibition applying at the time when repair work was undertaken. He felt that progress could be made if the discussion could be limited to the context of the original United Kingdom proposal, namely repair work.
7. The GERMAN Delegate said that he felt that the Chairman's question was very pertinent and asked, while pointing out that he would report to his authorities, which element the United States authorities felt to be the more important.
8. The DANISH Delegate said that he felt the reason why Item 1510 had not been included in the list in Item 1416(e) at the time of the review was because the equipment it covered was not so highly strategic as to prevent the sale of a ship having this equipment installed. As far as repair work was concerned, he pointed out that repair contracts varied greatly in importance and his authorities would probably like the same free hand in large repair contracts as they had with the sale of vessels.
9. The UNITED STATES Delegate, replying to his Danish colleague, pointed out that the question of List I items which might not be installed in new vessels came up because of the reference to them in paragraph 2(b) of the original United Kingdom proposal (COCOM 3311), which proposed that only certain List I items should not be installed when repair work was undertaken. The Delegate did not know whether the United States had pressed for the inclusion of Item 1510 in Item 1416(e) at the time of the 1958 list review, but any Delegation had the right to make a new proposal at any time.
10. The CHAIRMAN in conclusion said that he appreciated that the United States proposal had been based on consideration of the treatment of Item 1510 in the context of both new vessels and repair work, but he suggested that all Delegations, including the United States Delegation, should be ready to isolate the question of repairs and see whether unanimous agreement could be reached on the embargo of Item 1510 as at present defined in this context alone, leaving the question of its inclusion in Item 1416(e) to further discussions.
11. The COMMITTEE agreed to continue the discussion on March 5th.